

and entries of the subject merchandise into the United States during the period May 1, 1993, through April 30, 1994. We have preliminarily determined that a dumping margin exists for MACHIMPEX, Liaoning. The Department based this margin on the best information available (BIA).

Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** August 2, 1995.

**FOR FURTHER INFORMATION CONTACT:**

Rebecca Trainor or Maureen Flannery, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4733.

**SUPPLEMENTARY INFORMATION:**

**Background**

On May 4, 1994, the Department published in the **Federal Register** (59 FR 23051) a notice of "Opportunity to Request an Administrative Review" of the antidumping duty order on iron construction castings from the PRC (51 FR 17222 (May 9, 1986)). In accordance with 19 CFR 353.22(a)(1), the petitioner requested an administrative review for MACHIMPEX, Liaoning. On June 15, 1994, the Department published a notice of initiation of this review (59 FR 30770), covering the period May 1, 1993, through April 30, 1994. The Department has now conducted this review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

**Scope of the Review**

The products covered by this review are iron construction castings, limited to manhole covers, rings and frames; catch basin grates and frames; cleanout covers and frames used for drainage or access purposes for public utility, water, and sanitary systems; valve, service, and meter boxes which are placed below ground to encase water, gas, or other valves, or water or gas meters. These articles must be of cast iron, not alloyed, and not malleable. Certain iron construction castings are currently classifiable under numbers 7352.10.00.00 and 7325.10.00.50 of the *Harmonized Tariff Schedule of the United States* (HTSUS). The HTSUS item numbers are provided for convenience and Customs purposes only. The written description remains dispositive as to the scope of the order.

This review covers sales of the subject merchandise manufactured by MACHIMPEX, Liaoning and entered into the United States during the period May 1, 1993, through April 30, 1994.

**Use of Best Information Available**

On July 27, 1994, the Department sent to the respondent, MACHIMPEX, Liaoning, a questionnaire to determine whether it was eligible for a separate rate in this review. On October 11, 1994, the Department sent to the respondent a general antidumping questionnaire. Although we established that the respondent received both questionnaires, MACHIMPEX, Liaoning failed to respond to either questionnaire. The Department therefore determines that MACHIMPEX, Liaoning is an uncooperative respondent, and that the use of BIA is appropriate, in accordance with section 776(c) of the Act. Whenever, as here, a company refuses to cooperate with the Department, or otherwise significantly impedes an antidumping proceeding, we use as BIA the higher of (1) the highest of the rates found for any firm for the same class or kind of merchandise in the same country of origin in the less-than-fair-value (LTFV) investigation or in prior administrative reviews; or (2) the highest rate found in this review for any firm for the same class or kind of merchandise. (See *Antifriction Bearings from France, et. al; Final Results of Review*, 58 FR 39729 (July 26, 1993).) As BIA, we have assigned the rate of 92.74 percent, which is the highest rate found for any iron construction casting producer from the prior reviews and the LTFV investigation. Since MACHIMPEX, Liaoning did not respond to our separate rates questionnaire, we have determined that we will not give a separate rate to MACHIMPEX, Liaoning.

**Preliminary Results of Review**

We preliminarily determine that a margin of 92.74 percent exists for MACHIMPEX, Liaoning for the period May 1, 1993 through April 30, 1994.

Any interested party may request a hearing within 10 days of publication of this notice. Any hearing will be held 44 days after the date of publication of this notice, or the first workday thereafter. Interested parties may submit case briefs within 30 days of the publication date of this notice. Rebuttal briefs, limited to issues raised in the case briefs, may be filed not later than 37 days after the date of publication of this notice. The Department will publish a notice of the final results of this administrative review, which will include the results of its analysis of issues raised in any such case briefs.

The following deposit requirements shall be effective for all shipments of the subject merchandise that are entered, or withdrawn from warehouse, for

consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(1) of the Act: (1) The cash deposit rate for the reviewed company, MACHIMPEX, Liaoning, shall be the rate established in the final results of this review; (2) for Minmetals Guangdong, which received a separate rate for the most recent period for which it was reviewed, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) for all other PRC exporters, the cash deposit rate will be 92.74 percent, the PRC country-wide rate; and (4) for non-PRC exporters of the subject merchandise from the PRC, the cash deposit rate will be the rate applicable to the PRC supplier of that exporter.

These deposit requirements, when imposed, shall remain in effect until publication of the final results of the next administrative review.

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and section 353.22 of the Department's regulations.

Dated: July 26, 1995.

**Susan G. Esserman,**

*Assistant Secretary for Import Administration.*

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**[C-201-505]**

**Porcelain-on-Steel Cookingware from Mexico; Preliminary Results of a Countervailing Duty Administrative Review**

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Preliminary Results of Countervailing Duty Administrative Review

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of the countervailing duty order on porcelain-

on-steel cookingware from Mexico. We preliminarily determine the net subsidy to be *de minimis* for Acero Porcelanizado, S. A. de C.V. (APSA) and 0.53 percent *ad valorem* for all other companies for the period January 1, 1993 through December 31, 1993. If the final results remain the same as these preliminary results of administrative review, we will instruct U.S. Customs Service to assess countervailing duties as indicated above. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** August 2, 1995.

**FOR FURTHER INFORMATION CONTACT:** Norma Curtis or Kelly Parkhill, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; Telephone: (202) 482-2786.

#### SUPPLEMENTARY INFORMATION:

##### Background

On December 12, 1986, the Department published in the **Federal Register** (55 FR 51139) the countervailing duty order on porcelain-on-steel cookingware from Mexico. On November 26, 1993, the Department published in the **Federal Register** a notice of "Opportunity to Request Administrative Review" (58 FR 62326) of this countervailing duty order. We received a timely request for review from APSA, a respondent company.

We initiated the review, covering the period January 1, 1993 through December 31, 1993 (POR), on January 18, 1994 (59 FR 2593). We conducted a verification of the questionnaire responses on September 7, 1994 through September 14, 1994. The review covers two manufacturers/exporters of the subject merchandise, APSA and Cinsa, S.A. de C.V. (Cinsa), which accounted for all exports of POS cookware during the POR and ten programs.

##### Applicable Statute and Regulations

The Department is conducting this administrative review in accordance with section 751 (a) of the Tariff Act of 1930, as amended (the Act). Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

##### Scope of the Review

Imports covered by this review are shipments of porcelain-on-steel cookingware from Mexico. The products are porcelain-on-steel cookingware (except teakettles), which do not have

self-contained electric heating elements. All of the foregoing are constructed of steel, and are enameled or glazed with vitreous glasses. During the review period, such merchandise was classifiable under item number 7323.94.0020 of the *Harmonized Tariff Schedule* (HTS). The HTS item number is provided for convenience and Customs purposes. The written description remains dispositive.

##### Calculation Methodology for Assessment and Cash Deposit Purposes

We calculated the net subsidy on a country-wide basis by first calculating the subsidy rate for each company subject to the administrative review. We then weight-averaged the rate received by each company using as the weight its share of total Mexican exports to the United States of subject merchandise, including all companies, even those with *de minimis* and zero rates. We then summed the individual companies' weight-averaged rates to determine the subsidy rate from all programs benefitting exports of subject merchandise to the United States.

Since the country-wide rate calculated using this methodology was above *de minimis*, as defined by 19 CFR § 355.7 (1994), we proceeded to the next step and examined the net subsidy rate calculated for each company to determine whether individual company rates differed significantly from the weighted-average country-wide rate, pursuant to 19 CFR § 355.22(d)(3). APSA had a significantly different net subsidy rate during the review period pursuant to 19 CFR § 355.22(d)(3). This company is treated separately for assessment and cash deposit purposes. All other companies are assigned the country-wide rate.

##### Analysis of Programs

###### I. Programs Conferring Subsidies

###### A. Programs Previously Determined to Confer Subsidies

###### 1. BANCOMEXT Financing for Exporters

Banco Nacional de Comercio Exterior, S.N.C. (Bancomext) is a government program through which short-term financing is provided to producers or trading companies engaged in export activities. In order to be eligible for Bancomext financing a company must be established according to Mexican law, 30 percent Mexican national owned, and be an exporter. Bancomext provides two types of financing to exporters, denominated in either U.S. dollars or in Mexican pesos: working capital (pre-export loans), and loans for

export sales (export loans). In addition, Bancomext may provide financing to foreign buyers of Mexican goods and services.

The Department has previously found this program to confer an export subsidy to the extent that the loans are provided at preferential terms (*See Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review* (56 FR 48163; September 24, 1991) and *Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review* (57 FR 562; January 7, 1992)). In this review the Government of Mexico provided no new information that would lead the Department to alter that determination.

Both APSA and Cinsa had Bancomext loans on which interest was due during the POR. We found that the annual interest rates that Bancomext charged to borrowers for certain loans on which interest payments were due during the review period were lower than the commercial rates. The dollar-denominated Bancomext loans under review were granted at annual interest rates ranging from 6.0 percent to 8.75 percent. For these loans, we used the average quarterly weighted-average effective interest rates published in the Federal Reserve Bulletin, which resulted in an annual average benchmark of 6.5 percent in 1993. This is the same benchmark calculation methodology that has been applied in prior reviews (*See Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review* (56 FR 48163; September 24, 1991) and *Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review* (57 FR 562; January 7, 1992)).

The peso-denominated Bancomext pre-export loan under review was granted at an annual interest rate of 14.8 percent. As a basis for our benchmark for this loan, we have relied in part on the effective rates for the years 1981 through 1984, as published monthly in the Banco de Mexico's Indicadores Economicos y Moneda (I.E.), because the Banco de Mexico stopped publishing data on nominal and effective commercial lending rates in Mexico after 1984. We calculated the average difference between the I.E. effective interest rates and the Costo Porcentual Promedio (CPP) rates, the average cost of short-term funds to banks, for the years 1981 through 1984. We added this average difference to the 1993 average annual CPP rates. For the peso-denominated loan on which interest was due during 1993, we

calculated an annual benchmark of 29.79 percent. This is the same benchmark calculation methodology that has been applied in prior reviews (See *Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review* (56 FR 48163; September 24, 1991) and *Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review* (57 FR 562; January 7, 1992)). We consider the benefits from short-term loans to occur at the time the interest is paid. Because interest on Bancomext pre-export loans is paid at maturity, we calculated benefits based on loans that matured during the review period; such loans were obtained between December 1992 and September 1993.

During verification at APSA, we discovered one short-term loan that appears to be a Fomex loan which was not reported in the questionnaire responses. Fomex was a program previously found countervailable by the Department and operates much like the Bancomext program which the Department has also found countervailable (See *Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review* (56 FR 48163; September 24, 1991) and *Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review* (57 FR 562; January 7, 1992)). However, the interest rate for this loan is higher than the benchmark and, therefore, there is no benefit to APSA.

During verification at the Government of Mexico, we discovered one Bancomext loan for Cinsa that had not been reported in the questionnaire responses, and for which the company did not provide the interest rate upon request at verification. (See *Bancomext Section of the Government of Mexico's Verification Report* dated May 9, 1995 and *Short-Term Loan Section of Cinsa's Verification Report* dated May 9, 1995, on file in the public file of the Central Records Unit, Room B-099 of the Department of Commerce). Section 776(c) of the Act requires the Department to use best information available (BIA) whenever a party or any other person refuses or is unable to produce information requested. Furthermore, 19 CFR 355.37 (1994) requires the Department to use BIA "whenever the Secretary: (1) does not receive a complete, accurate, and timely response to the Secretary's request for factual information; or (2) is unable to verify, within the time specified, the accuracy and completeness of the

factual information submitted". Since the interest rate for this loan was not reported in the questionnaire responses nor provided at verification when requested, we must use BIA to calculate the benefit from this loan. Therefore, as BIA we are assigning this loan a zero interest rate, and have used that rate to calculate the benefit from this loan. The interest rate we are applying as BIA is zero percent because it is the most adverse interest rate.

To calculate the benefit for each exporter, we multiplied the difference between the interest rate charged to exporters for these loans and the benchmark interest rate by the principal and then multiplied this amount by the term of the loan divided by 365. Because one company's monthly sales figures are indexed to account for inflation, we adjusted that company's benefit amounts to be on the same terms as the sales figures. Since neither APSA nor Cinsa was able to tie their loans to specific sales, we divided the benefit by total export sales. On this basis, we preliminarily determine the subsidy from this program to be 0.02 percent *ad valorem* for APSA and 0.60 percent *ad valorem* for Cinsa.

## 2. FONEI Long-Term Financing

The Fund for Industrial Development (FONEI) was a Government of Mexico trust administered by the Banco de Mexico until its dissolution on December 31, 1989. FONEI was a specialized financial development fund that provided long-term loans at below-market rates. FONEI was designed to foster the efficient production of services and industrial goods by Mexican companies.

The Department has previously found this program to confer a subsidy because it provides loans on terms inconsistent with commercial considerations and restricts loan benefits to companies located in specific regions (See *Porcelain-on-Steel Cookingware From Mexico; Preliminary Results of Countervailing Duty Administrative Review* (56 FR 48163; September 24, 1991) and *Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review* (57 FR 562; January 7, 1992)). In this review the Government of Mexico provided no new information that would lead the Department to alter that determination.

Cinsa had a FONEI loan outstanding during the review period. Because this peso-denominated loan had a variable interest rate, we treated it as a series of short-term loans, as we have done previously in *Porcelain-on-Steel Cookingware From Mexico; Preliminary*

*Results of Countervailing Duty Administrative Review* (56 FR 48163; September 24, 1991) and *Porcelain-on-Steel Cookingware From Mexico; Final Results of Countervailing Duty Administrative Review* (57 FR 562; January 7, 1992). To calculate the benefit from this loan, we used the same benchmark as for the peso-denominated Bancomext pre-export loan. We compared this benchmark with the interest rate in effect for each FONEI loan payment made during the review period and multiplied the difference by the outstanding loan principal. We divided the benefit by the company's total sales to all markets during the review period. On this basis, we preliminarily determine the subsidy from this program to be 0.01 percent *ad valorem* for Cinsa.

## II. Programs Preliminarily Found Not to be Used

We also examined the following programs and preliminarily determine that the exporters of the subject merchandise did not apply for or receive benefits under these programs during the review period:

- (A) Certificates of Fiscal Promotion (CEPROFI)
- (B) PITEX
- (C) Other Bancomext Preferential Financing
- (D) Import Duty Reductions and Exemptions
- (E) State Tax Incentives
- (F) Article 15 Loans
- (G) NAFINSA FOGAIN-type Financing
- (H) NAFINSA FONEI-type Financing

## Preliminary Results of Review

For the period January 1, 1993 through December 31, 1993, we preliminarily determine the net subsidy to be 0.02 percent *ad valorem* for APSA and 0.53 percent *ad valorem* for all other companies. In accordance with 19 CFR 255.7, any rate less than 0.5% *ad valorem* is *de minimis*.

If the final results of this review remain the same as these preliminary results, the Department intends to instruct the U.S. Customs Service to assess the following countervailing duties:

Manufacturer/exporter	Rate (percent)
APSA .....	0.00
All Other Companies .....	0.53

The Department also intends to instruct the U.S. Customs Service to collect a cash deposit of estimated countervailing duties of zero percent of the f.o.b. invoice price on all shipments

of the subject merchandise from APSA, and 0.53 percent of the f.o.b. invoice price on all shipments of the subject merchandise from all other companies entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this review.

Parties to the proceeding may request disclosure of the calculation methodology and interested parties may request a hearing not later than 10 days after the date of publication of this notice. Interested parties may submit written arguments in case briefs on these preliminary results within 30 days of the date of publication. Rebuttal briefs, limited to arguments raised in case briefs, may be submitted seven days after the time limit for filing the case brief. Parties who submit written arguments in this proceeding are requested to submit with the argument (1) a statement of the issue and (2) a brief summary of the argument. Any hearing, if requested, will be held seven days after the scheduled date for submission of rebuttal briefs. Copies of case briefs and rebuttal briefs must be served on interested parties in accordance with 19 CFR 355.38(e).

Representatives of parties to the proceeding may request disclosure of proprietary information under administrative protective order no later than 10 days after the representative's client or employer becomes a party to the proceeding, but in no event later than the date the case briefs, under section 355.38(c), are due. The Department will publish the final results of this administrative review including the results of its analysis of issues raised in any case or rebuttal brief or at a hearing.

This administrative review and notice are in accordance with section 751(a)(1) of the Act (19 U.S.C. 1675(a)(1)) and 19 CFR 355.22.

Dated: July 26, 1995.

**Susan G. Esserman,**  
*Assistant Secretary for Import Administration.*

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[C-549-401]

### **Certain Textile Mill Products From Thailand; Preliminary Results of Countervailing Duty Administrative Review**

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Preliminary Results of the Countervailing Duty Administrative

Review on Certain Yarn Products covered under the Suspended Investigation on Certain Textile Mill Products from Thailand.

**SUMMARY:** The Department of Commerce (the Department) is conducting an administrative review of Certain Yarn Products covered under the suspended countervailing duty investigation on Certain Textile Mill Products from Thailand ("suspension agreement"). We have preliminarily determined that for the period May 18, 1992, through December 31, 1993, the signatories were not in violation of the suspension agreement. Interested parties are invited to comment on these preliminary results.

**EFFECTIVE DATE:** August 2, 1995.

**FOR FURTHER INFORMATION CONTACT:** Lisa Yarbrough or Jackie Wallace, Office of Agreements Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 20230, telephone (202) 482-3793.

#### **SUPPLEMENTARY INFORMATION:**

##### **Background**

On November 23, 1990, the Department published in the **Federal Register** (55 FR 48885) a notice terminating in part the suspension agreement on Certain Textile Mill Products from Thailand (50 FR 9837, March 12, 1985). On May 9, 1992, the Court of International Trade (CIT) held that the Department's termination was not in accordance with the law because the Department failed to strictly follow 19 CFR 355.25(d)(4). The Court of Appeals for the Federal Circuit (CAFC) affirmed the decision of the CIT on October 12, 1993, and instructed the Department to reinstate the suspension agreement. Subsequently, on October 22, 1993, the Department reinstated the suspension agreement, effective May 18, 1992, the date the Department published notice of the CIT decision.

On March 4, 1994, the Department published in the **Federal Register** a notice of "Opportunity to Request Administrative Review" (59 FR 10368) of the suspended investigation for the period May 18, 1992 to December 31, 1993. The Department received requests for an administrative review of certain yarn products on March 31, 1994, from the American Yarn Spinners Association (AYSA) and certain individual yarn producers. On April 15, 1994, the Department initiated a countervailing duty administrative review on Certain Yarn Products for the period May 18, 1992 to December 31, 1993 (59 FR 18099, April 15, 1994). The

Department verified the responses of the Royal Thai Government (RTG) and the Thai Textile Manufacturers Association (TTMA) from January 16 through January 25, 1995 pursuant to the administrative review.

Due to prior analysis of interested party status of AYSA in 1990, the Department initiated this review on certain yarn products only for the period May 18, 1992, through December 31, 1993 (FR 59 18099, April 15, 1994). The review covers nine programs and eight producers/exporters: Saha Union, Venus Thread, Union Thread, Union Spinning, Thai Melon, Thai American, Thai Blanket, and Thai Synthetic.

#### **Applicable Statute and Regulations**

The Department is conducting this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). Unless otherwise indicated, all citations to the statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

#### **Scope of Review**

Imports covered by this review are shipments of certain yarns from Thailand. During the period of review, such merchandise was classifiable under the Harmonized Tariff Schedule (HTS) item numbers 5204.11.0000, 5204.19.0000, 5204.20.0000, 5206.21.0000, 5206.22.0000, 5206.23.0000, 5206.24.0000, 5206.25.0000, 5206.41.0000, 5206.42.0000, 5206.43.0000, 5206.44.0000, 5206.45.0000, 5207.10.0000, 5207.90.0000, 5401.10.0000, 5402.31.3000, 5402.32.3000, 5402.33.6000, 5406.10.0020, 5406.10.0040, 5406.10.0090, 5508.20.0000, 5510.12.0000, 5510.90.4000, and 5511.30.0000.

#### **Analysis of Programs**

##### **1. Electricity Discounts**

Under Section II(b) of the suspension agreement, the producers and exporters are not to apply for, or receive, any discount on electricity rates provided by the electricity authorities of Thailand (the Electricity Generating Authority of Thailand (EGAT), Metropolitan Electricity Authority (MEA) or the Provincial Electricity Authority (PEA)) for exports of subject merchandise.

EGAT is the general producing authority of electricity in Thailand selling to regional authorities such as MEA and PEA. PEA and MEA in turn sell electricity to companies in their jurisdiction. This program was